

 Early Warning System

WB-P515018

RETRADE-SA MPA Phase 4: Zambia - Malawi Interconnector Project

This project is still under review by the EWS. Project information and/or project analysis may be incomplete.



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Quick Facts

Countries	Zambia
Financial Institutions	World Bank (WB)
Status	Active
Bank Risk Rating	U
Voting Date	2026-07-23
Borrower	Republic of Zambia
Project Cost (USD)	\$ 43.00 million



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Project Description

The Governments of Zambia and Malawi have, in line with the call for greater regional integration, agreed to strengthen their existing bilateral cooperation through, among other measures, the construction of the Malawi-Zambia Interconnector. To this effect, an Inter-Governmental Memorandum of Understanding (IGMoU) between the two countries was signed in August 2015. During the same period, an Inter-Utility Memorandum of Understanding (IUMoU) was also signed between ZESCO Limited and Electricity Supply Corporation of Malawi (ESCOM) Limited, the respective national power utilities of the two countries. Historically, Zambia and Malawi have had cross-border power trade at distribution level dating back to 2000, when ESCOM began supplying power to Zambian towns in the border area, in response to a resolution of the then Southern African Development Community (SADC) Council of Energy Ministers. From 2018, Malawi has also benefited from cross-border power supply from Zambia through a 33 kV line from Chipata to Mchinji. The Interconnector represents a critical initiative to strengthen regional energy integration and security. The Government of the Republic of Zambia, through a letter dated June 6, 2024 (reference: MFNP/EMD/101/25/5), requested World Bank assistance for the Zambia-Malawi Interconnector Project. The proposed Project is formulated in response to this request and would be designed to address persistent electricity supply challenges in both Zambia and Malawi, while supporting the broader objectives of economic transformation, climate resilience, and regional cooperation within the Southern African Power Pool (SAPP). The proposed interconnection consists of a 400 kV double-circuit overhead transmission line extending 192.2 km. Of this total, 145.6 km will be constructed within Malawi, connecting the Nkhoma Substation to the border, while 46.6 km will be built in Zambia, linking the border to the Chipata West Substation. Both terminal substations will be expanded to accommodate the new interconnection. The proposed Project scope for Zambia comprises: (i) a 46.6 km segment of a 400 kV double-circuit overhead transmission line from the Zambia-Malawi border to the existing Chipata West Substation; (ii) the extension of Chipata West Substation; and (iii) project management and technical assistance. The feasibility studies (including conceptual design), preliminary tender documents, Environmental and Social Impact Assessment (ESIA), and Resettlement Action Plan (RAP), financed by the European Union (EU) and Swedfund through SAPP, have been completed and reviewed by the World Bank team. The rationale for the Project is compelling. Malawi is currently investing in new hydropower capacity, most notably the Mpatamanga Hydropower Storage Project (MHSP). Its financial sustainability is contingent upon securing credible off-takers to backstop ESCOM payments. The Malawi-Zambia Interconnector will enable Malawi to export surplus power from the MHSP and other renewable projects to Zambia, whose mining sector is experiencing significant expansion and constitutes a cornerstone of the national economy. Zambia's mining operations, particularly in the Southern Copperbelt, are currently constrained by power supply challenges and grid congestion. It will also enhance the resilience of both countries to climate variability, particularly droughts that have recently affected hydropower generation in the Zambezi basin. From a regional perspective, the Interconnector will facilitate cross-border electricity trade, system balancing, and long-term trading mechanisms. The Project is thus aligned with the strategic objectives of SAPP and the broader development goals of both countries. Additionally, the Interconnector will provide power to the Lobito Corridor--a strategic transport, industrial, and trade route centered on the railway line from the Port of Lobito in Angola to the Copperbelt regions of the Democratic Republic of Congo (DRC) and Zambia. The proposed Project would constitute Phase 4 of the Regional Energy Transmission, Trade and Decarbonization in Southern Africa Multi-phase Programmatic Approach (RETRADE-SA MPA) program, approved by the World Bank's Board of Executive Directors on January 21, 2025, with the first phase being the Zambia-Tanzania Interconnector Project (P507033).



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Investment Description

- World Bank (WB)



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Contact Information

ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: <https://www.worldbank.org/en/access-to-information/request-submission>

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>



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Bank Documents

- [Appraisal Environmental and Social Review Summary \(ESRS\) - RETRADE-SA MPA Phase 4: Zambia - Malawi I](#)
- [Appraisal Project Information Document \(PID\)](#)
- [Appraisal Project Information Document \(PID\)](#)
- [Concept Environmental and Social Review Summary \(ESRS\) - RETRADE-SA MPA Phase 4: Zambia - Malawi Int](#)
- [Concept Project Information Document \(PID\)](#)
- [Environmental and Social Commitment Plan \(ESCP\) - RETRADE-SA MPA Phase 4: Zambia - Malawi Interconne](#)
- [Environmental and Social Commitment Plan \(ESCP\) RETRADE-SA MPA Phase 4: Zambia - Malawi Interconnect](#)
- [Stakeholder Engagement Plan \(SEP\) - RETRADE-SA MPA Phase 4: Zambia - Malawi Interconnector Project -](#)



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Other Related Projects

- WB-P512662 RETRADE-SA MPA Phase 2: Technical Assistance to the Southern African Power Pool